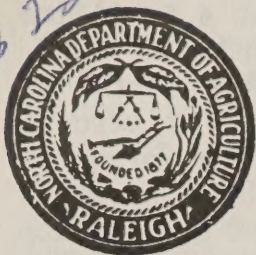


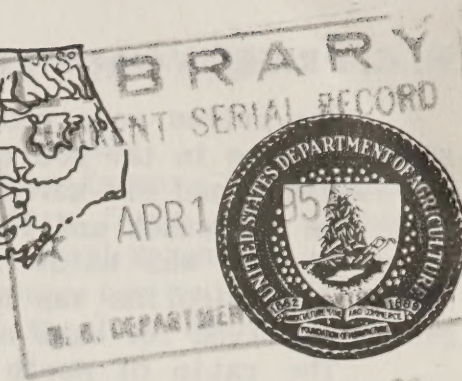
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NORTH CAROLINA



COOPERATIVE CROP REPORTING SERVICE



No. 230

RALEIGH, N. C.

APRIL 12, 1957

N. C. PRICES RECEIVED INDEX UP 2 PERCENT

The all "Farm Products" index of prices received by North Carolina farmers at local markets increased 5 points (2 percent) during the month ended March 15, 1957. Higher prices for cotton, peanuts, sweetpotatoes, beef cattle, and hogs were partially responsible for the increase in the index. However, lower prices for eggs, milk, and calves limited the advance. The March index of 276 compares with an index of 284 a year earlier and 298 on March 15, 1955.

(Continued on Page 2)

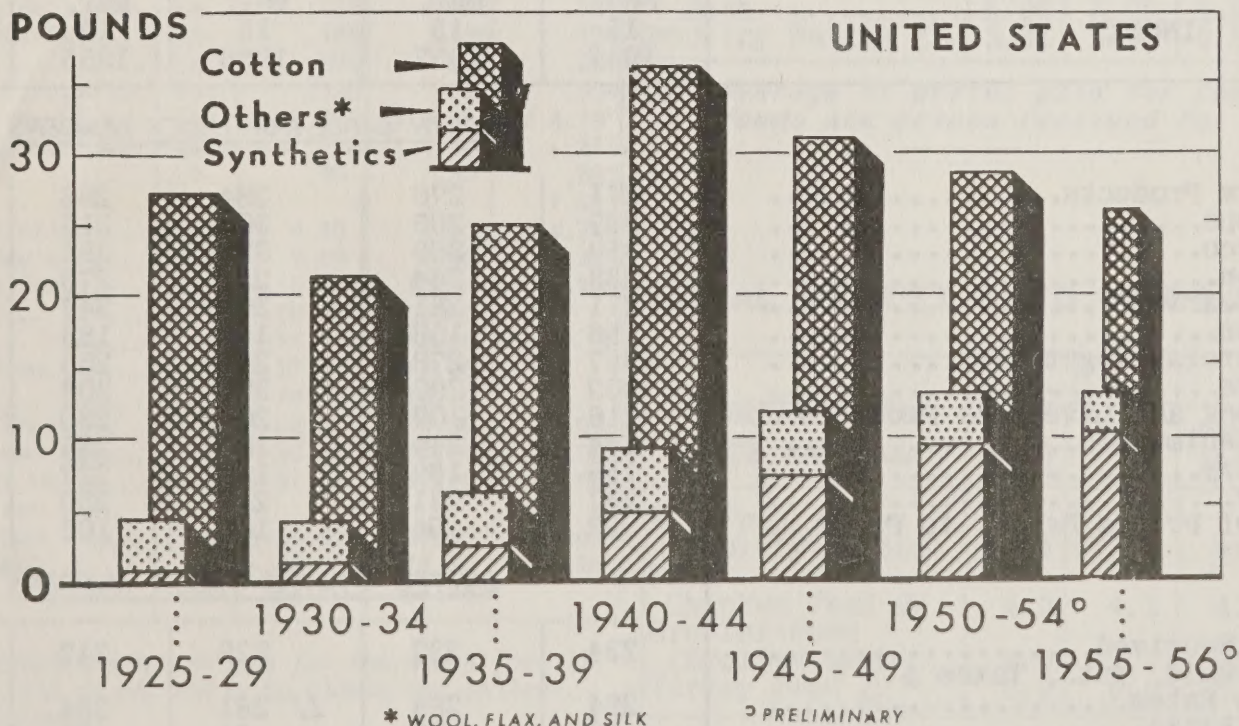
U. S. PRICES RECEIVED UP 3 POINTS PARITY INDEX UP 1 POINT PARITY RATIO UNCHANGED AT 80

The Index of Prices Received by Farmers increased 3 points (1 percent) during the month ended March 15. Higher prices for meat animals, fruit, and commercial vegetables were primarily responsible for the increase in the index. Partially offsetting were lower prices for dairy products, eggs, and cotton. The March index at 237 percent of its 1910-14 average compared with 234 in February and with 228 a year earlier.

(Continued on Page 2)

Natural and Synthetic Fibers

FIBER CONSUMPTION PER PERSON



N. C. PRICES (Continued)

Egg prices were responsible for the sharp decline in the poultry index between mid-February and mid-March.

The livestock and livestock products index at 207 was below the mid-February index. The decline was due to a drop in prices received for eggs and milk.

The ratio of North Carolina prices received to United States prices paid at 94 was 2 points above the mid-February ratio.

U. S. PRICES (Continued)

Higher prices for farm production goods raised the Index of Prices Paid by Farmers for Commodities and Services, including Interest, Taxes, and Wage Rates (the Parity Index) 1 point during the month. At 295 this set another new high. The index of prices paid for family living items remained at the record high first recorded in February.

With both farm product prices and prices paid by farmers averaging higher in mid-March than a month earlier, the Parity Ratio remained at 80, about 1 percent lower than in March of last year.

U. S. FARM INCOME

Farmers received about 4.5 billion dollars in the first 2 months of 1957, slightly more than in the same months of last year. Prices averaged 4 percent higher than a year ago, but the volume of marketings was down a little. Receipts from livestock and products of 2.6 billion dollars were 6 percent above last year because of higher average prices. Receipts from cattle, hogs, and wholesale milk contributed most to the increase. Crop receipts were about 1.9 billion dollars, 4 percent below a year ago, mostly because of smaller receipts from cotton.

Total receipts in February are tentatively estimated at 2.0 billion dollars, slightly above last year. Average prices were up 3 percent but total marketings were down slightly. Receipts from livestock and products of 1.2 billion dollars were 4 percent above a year ago, with hog prices up substantially. Crop receipts of 0.8 billion dollars were about the same as last year.

The Demand and Price Situation

N. C. AND U. S. INDEX NUMBERS

INDEX	Feb. 15 1957	Mar. 15 1957	Mar. 15 1956	Mar. 15 1955	Mar. 15 1954
NORTH CAROLINA INDEX NUMBERS					
All Farm Products.....	271	276	284	298	296
All Crops.....	287	295	306	317	310
Tobacco.....	359	369	386	391	382
Cotton.....	238	244	256	273	277
Oil Bearing.....	271	281	302	347	319
Grains.....	158	158	149	183	183
Commercial Vegetables.....	257	273	220	255	243
Fruits.....	302	297	372	308	317
Livestock and Livestock Products..	216	207	208	230	244
Meat Animals.....	244	244	198	235	320
Poultry.....	185	169	194	227	208
Dairy.....	237	231	237	230	231
Ratio of Prices Rec'd. to Paid*...	92	94	101	105	105
UNITED STATES INDEX NUMBERS					
Prices Received.....	234	237	228	242	255
Prices Paid, Int., Taxes & Wages Rates.....	294	295	L/ 281	284	283
Parity Ratio.....	80	80	81	85	90

* Ratio of N. C. Prices received to U. S. Prices paid.

L/ Revised.

PRICES PAID BY NORTH CAROLINA FARMERS FOR FEED

Average prices paid by North Carolina farmers for mixed dairy feeds during the month ended March 15 were on the same level or below the average prices paid a month earlier. Soybean meal and meat scrap of the high protein feeds were below mid-February's price with soybean meal registering the largest decline of all feeds. Cottonseed meal at \$3.50 per hundred was costing farmers slightly more

than the previous month.

Prices paid by farmers for bran, middlings, and poultry feeds were unchanged during the month ended March 15.

Due to lower egg prices, the egg-feed price ratio was less favorable.

FEED PRICES PAID BY FARMERS

PRICES RECEIVED BY FARMERS

COMMODITY	UNIT	N. C.		U. S.
		FEB.15 1957	MAR.15 1957	MAR.15 1957
<i>DOLLARS</i>				
CORN.....	BU.	1.31	1.31	1.20
WHEAT.....	BU.	2.10	2.09	2.07
OATS.....	BU.	.79	.80	.720
BARLEY.....	BU.	1.14	1.15	1.03
RYE.....	BU.	1.85	1.85	1.16
SORGHUM GRAINS.....	CWT.	2.00	2.05	2.07
SOYBEANS.....	BU.	2.13	2.13	2.26
PEANUTS.....	LB.	.113	.119	.112
COTTON.....	LB.	.288	.295	.298
COTTONSEED.....	TON	41.00	41.00	60.60
WOOL.....	LB.	.45	.45	.487
HOGS.....	CWT.	16.20	16.30	16.80
BEEF CATTLE.....	CWT.	12.40	12.50	16.00
VEAL CALVES.....	CWT.	21.90	21.00	17.60
SHEEP.....	CWT.	5.30	5.30	6.50
LAMBS.....	CWT.	18.10	18.10	19.80
MILK COWS.....	HD.	105.00	105.00	159.00
CHICKENS, ALL.....	LB.	.183	.183	.188
COM'L. BROILERS....	LB.	.185	.185	.198
TURKEYS.....	LB.	.270	.270	.260
EGGS.....	DOZ.	.393	.331	.306
MILK, WHLSE. <u>1/</u>	CWT.	<u>5/</u> 5.65	<u>2/</u> 5.50	<u>2/</u> 4.19
RETAIL <u>3/</u>	QT.	.210	.206	.211
BUTTERFAT.....	LB.	.50	.50	.587
POTATOES.....	CWT.	-	-	1.33
SWEETPOTATOES.....	CWT.	4.60	4.80	4.74
APPLES, COM'L.....	BU.	2.65	2.55	3.38
LESPEDEZA SEED....	CWT.	10.80	10.60	11.10
KOREAN.....	CWT.	10.00	9.90	-
KOBE.....	CWT.	11.20	10.90	-
COM. & TENN.....	CWT.	17.00	17.00	-
SERICEA.....	CWT.	14.70	14.70	-
HAY, ALL BALED <u>4/</u> .	TON	28.60	29.00	21.60
ALFALFA HAY.....	TON	36.60	37.50	22.30
LESPEDEZA HAY....	TON	31.60	31.20	24.50
SOYBEAN AND COWPEA HAY.....	TON	26.50	27.50	27.60
PEANUT VINE.....	TON	18.10	18.50	23.10
OTHER.....	TON	26.50	27.20	-

1/ Estimated average prices for the month for all milk sold at wholesale to plants and dealers.

2/ Preliminary.

3/ Sold by farmers direct to consumers.

4/ The all hay prices is the weighted average of separate kinds including an allowance for minor kinds.

5/ Revised.

FEED PER HUNDREDWEIGHT	N. C.		U. S.	
	Feb. 15 1957	Mar. 15 1957	Feb. 15 1957	Mar. 15 1957
Mixed Dairy Feed Under 29% Protein				
All.....	3.95	3.90	3.88	3.85
16% Protein.....	3.75	3.75	3.83	3.80
18% Protein.....	3.90	3.85	3.83	3.79
20% Protein.....	4.20	4.15	4.05	4.02
24% Protein.....	4.15	4.10	4.14	4.11
29% & Over.....	4.65	4.65	4.42	4.38
High Protein Feeds				
Linseed Meal.....	-	-	4.07	4.06
Soybean Meal.....	4.00	3.75	3.87	3.81
Cottonseed Meal..	3.45	3.50	3.87	3.84
Meat Scrap.....	4.60	4.55	4.69	4.65
Grain By-Products				
Bran.....	3.45	3.45	3.08	3.06
Middlings.....	3.60	3.60	3.13	3.11
Corn Meal.....	3.80	3.85	3.46	3.45
Corn Gluten.....	-	-	3.50	3.43
Poultry Feed				
Laying Mash.....	4.80	4.80	4.51	4.48
Scratch Grain....	4.20	4.20	4.11	4.11
Broiler Growing Mash.....	5.00	5.00	4.96	4.93
Poultry Ration 1/.....	3.91	3.91	3.56	3.55

1/ Average of prices paid for commercial feeds and prices received for grain.

LOCAL MARKET FEED PRICE RATIOS

POULTRY FEED PRICE RATIO 1/	N. C.		U. S.	
	Feb. 1957	Mar. 1957	Feb. 1957	Mar. 1957
Egg-Feed (Poultry Ration)	10.1	8.5	9.2	8.6
Farm Chicken Feed 2/	4.2	4.2	4.0	4.2
Broiler-Feed (Broiler Mash)	3.7	3.7	3.9	4.0
Turkey Feed 2/	6.9	6.9	7.7	7.3

1/ Pounds of feed equal in value to one dozen eggs, one pound farm chickens, one pound broilers and one pound turkeys.

2/ Poultry ration.

U. S. POULTRY AND EGG OUTLOOK

The outlook for egg prices to farmers in the last half of 1957 has improved reflecting the large cuts so far this year in hatchings of chicks for laying flock replacement. Hatchings in January and February were respectively 18 and 30 percent below the same month last year and on March 1, 26 percent fewer replacement-type eggs were in incubators than a year earlier. The reduced early hatch indicates probability of a larger cut in the fall pullet flock than anticipated earlier.

In January, farmers intended to raise 9 percent fewer chickens this year than last. This cut will be exceeded if hatchery operations continue below last year as much as in the first few months. However, the reduction is likely to be less than early in the season, because the prospect for improved prices next fall may stimulate hatchings of replacement chicks later this season.

Current egg prices are lower than at any time in the spring of either 1955 or 1956. Average production of about 3.5 million cases weekly in February was about the same rate as in those years. The laying flock is less than 1 percent larger than a year ago, and production rates for the next 2 months or so are likely to peak at about year-ago levels.

Average prices this spring are likely to continue lower than a year earlier. This fall, however, prices are likely to average above a year earlier because of the reduction in laying flock replacement this spring.

Storage demand, though below a year earlier, may be strong enough this spring to prevent further substantial egg price declines, if prospects continue for a sharply reduced pullet flock this fall. Also, from early in February through mid-March, The Department of Agriculture bought about 50,000 cases of eggs weekly for use in the School Lunch Program.

Broiler production in 1956 rose to a record of about 1.3 billion birds, 24 percent more than in 1955. Greater integration of production and marketing and lower production costs have been partly responsible for the increase despite lower prices than in any year since 1941. Prices so far this year have been higher than in the last few months of 1956, but the U. S. average farmers' price of 19.4 cents in mid-February was 2 cents lower than a year earlier. Recent placements have been 3 to 7 percent higher than a year earlier.

Turkey hatchings to date exceed last year by more than farmers' January intentions, which were to grow 10 percent more turkeys than in 1956. The 1956 crop of 76 million birds was record large. Per Capita consumption equivalent to 5.1 pounds of ready-to-cook turkey was only 0.1 pound larger than in 1955. Storage stocks in late 1956 rose to a record high, and on February 1, 1957, were 75 million pounds above a year earlier. These large stocks, plus prospective larger supplies of fresh turkeys, will discourage price increases such as occurred in January-July last year. Current prices for frozen turkeys in New York City are 8 to 11 cents per pound below a year earlier.

The Demand and Price Situation

U. S. POULT PRODUCTION

Total heavy breed poult production during February was up 17 percent from February last year. The production of heavy white breed poults was down 8 percent but the production of other heavy breed poults was up 24 percent. The number of heavy breed poults produced during the first 2 months of this year totaled 8,828,000, compared with 6,878,000 during the same months last year--an increase of 28 percent. A March hatch of heavy breed poults slightly larger than the one a year ago is in prospect. The number of heavy breed eggs in incubators on March 1 was 3 percent more than on March 1 last year. The production of light breed poults during February was about the same as a year earlier. The number produced totaled 814,000, compared with 810,000 in February last year. The number produced during the first 2 months of this year totaled 1,830,000, compared with 1,712,000 during January and February last year--an increase of 7 percent. The number of light breed eggs in incubators on March 1 totaled 1,546,000 eggs, compared with 1,486,000 a year earlier--an increase of 4 percent.

PEANUT CONSUMPTION TO INCREASE

In recent years when supplies of peanuts were plentiful, civilians consumed about 6.5 pounds per year, farmers' stock basis, (4.5 pounds shelled), at prices about reflecting support. In 1954-55, per capita consumption on a farmers' stock basis fell about half a pound because of a

(Continued on Page 5)

PEANUTS (Continued)

short crop and sharp rise in prices. In 1955-56, a shortage and relatively high prices for the Virginia type peanut also held consumption to about 6.0 pounds per person. With lower prices and larger supplies of peanuts available this marketing year, consumption is expected to rise to 6.5 pounds.

Total consumption of shelled peanuts in March-August 1957 is likely to be up considerably from the relatively low level last year. Reported use of shelled peanuts in candy, peanut butter, and other products in September 1956-February 1957 was almost 6 percent above the previous year. Ending stocks of shelled edible peanuts in February were 183 million pounds, compared with 225 million a year earlier. Cleaned unshelled peanut stocks also were smaller than the previous year.

Crushings of peanuts and production of peanut oil during September-February were up sharply from the year before, reflecting primarily CCC's diversion operation. Domestic consumption of peanut oil through January at 31 million pounds, was 3 million greater than last year.

The Fats and Oils Situation

COMMODITY HIGHLIGHTS

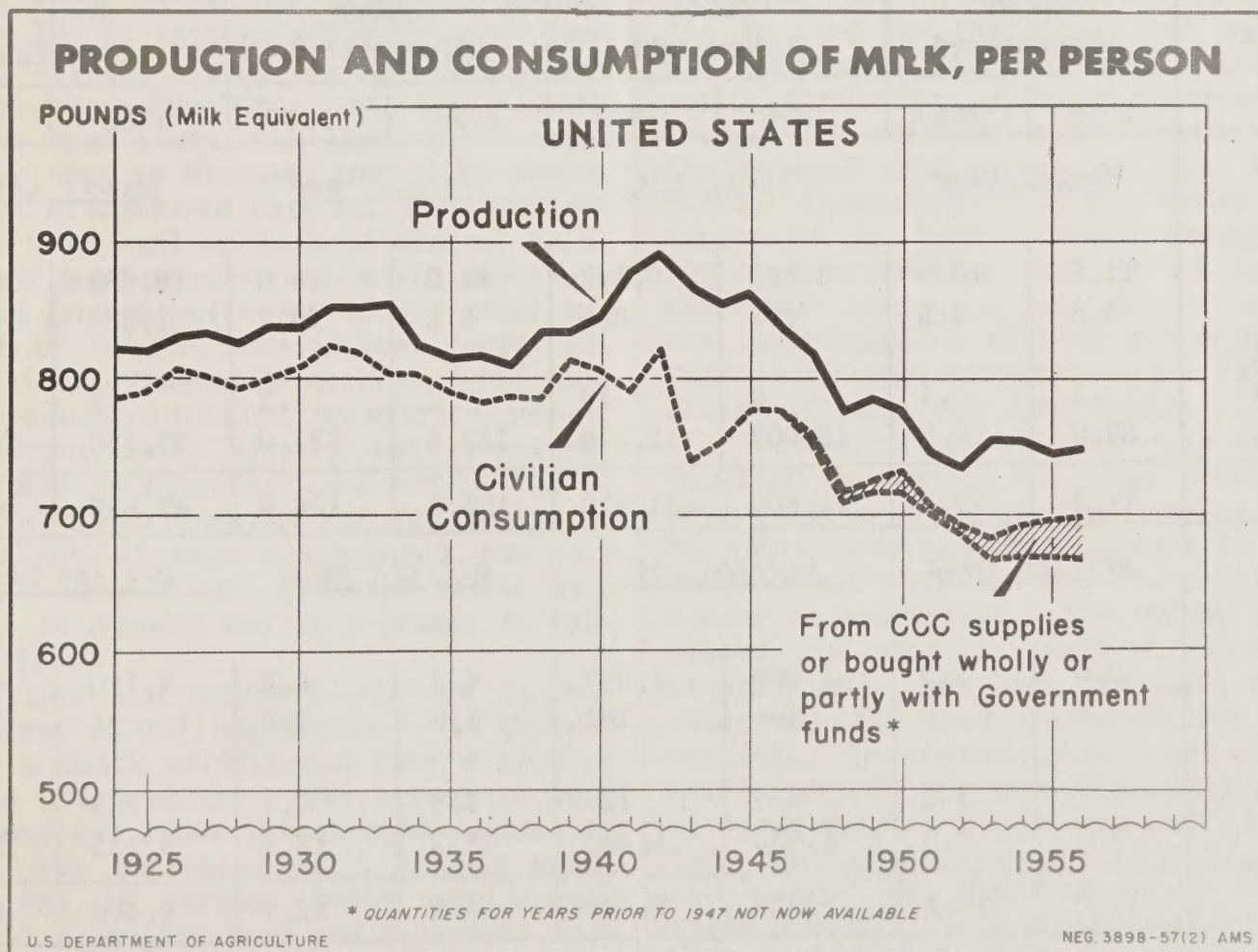
Hog prices will soon begin their seasonal advance, and are likely to continue above last year's prices for some time. Some gradual improvement in fed cattle prices also seems likely.

Grower prices for soybeans will probably continue around present levels and near the support price for the rest of the marketing year.

Production of fresh market vegetables for the 1957 winter season was estimated in early March at 29.6 million tons, or 13 percent below 1956.

Potato supplies are heavy, and large new-crop production is in prospect for the next two months. Large quantities are being moved under the potato diversion program.

Exports of cotton from August 1 through December 1956 were about 3 million bales, compared with 0.7 million in the same period of 1955. Exports since December have continued high.



FEBRUARY LIVESTOCK SLAUGHTER SECOND HIGHEST OF RECORD

Commercial slaughter of livestock in North Carolina during February amounted to 21,976,000 pounds liveweight. This production was the second highest for the month on record, falling short of the record high established in February of 1955 by 387,000 pounds, or 1.8 percent. Although the total liveweight of cattle slaughtered was some less than it was a year earlier, the reduction was more than offset by an increase in the weight of the other species slaughtered. By species, the total liveweights of animals slaughtered during the second month of this year was as follows: Cattle 8,149,000 pounds, Calves 899,000 pounds, Hogs 12,918,000 pounds, and Sheep and Lambs 10,000 pounds. Comparable figures for February 1956 were: 8,609,000; 683,000; 12,607,000; and 9,000 pounds respectively.

UNITED STATES

Output of red meat by commercial slaughter plants totaled 2,026 million pounds in February 1957. This was 17 percent below the January 1957 production of 2,436 million pounds and 8 percent below the 2,191 million pounds for February 1956. Commercial meat production includes slaughter in Federally inspected plants and other wholesale and retail plants but excludes farm slaughter.

Meat production for the first two months of 1957 totaled 4,462 million pounds, 4 percent less than the 4,668 million pounds for the corresponding period a year earlier. Compared with the two-month period last year, beef production was up 4 percent, veal output was up 5 percent, whereas pork production was down 15 percent and mutton and lamb output was down 3 percent.

February beef production totalled

NORTH CAROLINA AND UNITED STATES LIVESTOCK SLAUGHTER *

Species	FEBRUARY				JANUARY-FEBRUARY TOTAL			
	Number Slaughtered		Total Liveweight		Number Slaughtered		Total Liveweight	
	1956	1957	1956	1957	1956	1957	1956	1957
	<i>Thous. Head</i>		<i>Thous. Lbs.</i>		<i>Thous. Head</i>		<i>Thous. Lbs.</i>	
N. C.								
Cattle	11.0	10.0	8,609	8,149	24.0	23.0	18,888	18,779
Calves	3.8	4.5	683	899	8.2	10.7	1,507	2,161
Sheep & Lambs	.1	.1	9	10	.2	.2	17	20
Hogs	57.0	59.0	12,607	12,918	123.0	131.0	27,256	28,438
TOTAL	71.9	73.6	21,908	21,976	155.4	164.9	47,668	49,398
	<i>Million Head</i>		<i>Million Lbs.</i>		<i>Million Head</i>		<i>Million Lbs.</i>	
U. S.								
Cattle	2.0	2.0	1,960	1,947	4.3	4.5	4,180	4,358
Calves	.9	.9	195	191	1.9	2.0	404	420
Sheep & Lambs	1.3	1.2	134	124	2.8	2.7	283	273
Hogs	7.1	6.0	1,639	1,383	15.2	12.9	3,533	2,990
TOTAL	11.3	10.1	3,928	3,645	24.2	22.1	8,400	8,041

* Includes Slaughter under Federal inspection and other wholesale and retail slaughter; excludes farm slaughter.

SLAUGHTER (Continued)

1,081 million pounds, 18 percent less than in January and 1 percent less than in February 1956. The number of cattle slaughtered for the month totaled 1,998,600 head, 19 percent less than the 2,473,300 head slaughtered in January, but the same as the number slaughtered in February 1956. February slaughter cattle averaged 974 pounds per head liveweight. This was 1 pound lighter than in January and 7 pounds lighter than a year earlier.

February veal production totaled 107 million pounds, 16 percent less than in January and 1 percent smaller than the output of the same month a year earlier. Calf slaughter for February was estimated at 910,500 head. This compares with 1,067,500 head slaughtered in January and 946,400 head slaughtered during February 1956. Slaughter calves averaged 209 pounds per head liveweight which compares with 214 pounds for January and 206 pounds for February last year.

Hog slaughter during February totaled 5,995,100 head, 13 percent less than the January kill of 6,879,800 head, and 16 percent less than the 7,116,700 head slaughtered in February last year. Pork production in February totaled 778 million pounds, 15 percent below the January output and 17 percent below February last year. Slaughter hogs averaged 231 pounds liveweight in February. This was 2 pounds lighter than a month earlier, but 1 pound heavier than in February 1956. The number of hogs slaughtered this February was less than a year earlier in most states. Delaware and Maryland combined, North Carolina, Georgia and Mississippi killed more and Nevada killed the same as last year. All other states showed a decline. February lard production totaled 198 million pounds, 12 percent under January and 15 percent less than in February last year. The amount of lard rendered per 100 pounds of liveweight of hogs slaughtered was 14.3 pounds this month compared with 14.0 pounds in January and 14.1 pounds in February 1956.

Lamb and mutton production in February was 60 million pounds -- 17 percent below a month earlier and down 6 percent from a year earlier. The number of head of sheep and lambs slaughtered during the month was estimated at 1,220,900 head. This was 18 percent below the January kill of 1,489,200 head and 7 percent less than the 1,318,200 head slaughtered in February 1956. Sheep and lambs slaughtered

in February averaged 102 pounds liveweight, the same as a year earlier but slightly more than the 100 pound average in January.

Poultry slaughter in February 1957 was 280 million pounds, ready-to-cook basis. Output was 18 percent less than January, but 10 percent larger than the same month last year and 65 percent above the 1947-56 average for the month.

U. S. DAIRY PRODUCTS

Prices for all milk and butterfat so far in 1957 have been a little above a year earlier. This is the result of higher support prices for manufacturing milk and butterfat since April 1956 and a slight increase in the proportion of milk utilized in fluid milk outlets. Through the spring and summer, prices are likely to continue near present levels except for seasonal fluctuations, since the support level for the marketing year beginning April 1, 1957 will be the same as a year earlier.

Production of milk on farms continues to exceed previous record high levels, although the number of milk cows showed a 1 percent decline on January 1, 1957 compared with a year earlier. Production of milk per cow exceeded 6,000 pounds per cow in 1956 for the first time on record and apparently will go still higher this year. Production in total promises to be around 128 billion pounds compared with the revised 1956 figure of 125.7 billion pounds. Three-fourths of the States showed increases in 1956. Dairy product-feed price relationships will be at least as favorable this year as last in view of the large supplies of feed grains on hand. This is an important reason for expecting continued large milk production.

Consumer incomes are high and consumption per person of dairy products in 1957 will be at about the level of 1956. The increase in total consumption is likely to be about equal to the prospective increase in production. The volume of purchases by USDA in 1957-58, therefore, probably will be about the same as purchases in the past two marketing years. Recently, the surplus has been around 5 billion pounds per year or about 4 percent of production. Government stocks have been reduced to comparatively low levels for butter and dry milk. Holdings of cheese, though still large, are considerably smaller than a year earlier.

The Demand and Price Situation

FARM REPORT

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S. R. Newell, Director

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COMPARISON OF PRICES RECEIVED BY U. S. FARMERS AND PARITY PRICES

COMMODITY	PRICES RECEIVED BY FARMERS		PARITY OR COMPARABLE PRICES ^{L/}		AVERAGE PRICES AS PERCENTAGE OF PARITY	
	Feb. 15 1957	Mar. 15 1957	Feb. 15 1957	Mar. 15 1957	Feb. 15 1957	Mar. 15 1957
	<u>DOLLARS</u>	<u>DOLLARS</u>	<u>DOLLARS</u>	<u>DOLLARS</u>	<u>PERCENT</u>	<u>PERCENT</u>
Cotton, Lb.....	.3016	.2980	.3681	.3693	82	81
Wheat, Bu.....	2.07	2.07	2.50	2.50	83	83
Corn, Bu.....	1.19	1.20	1.81	1.81	66	66
Oats, Bu.....	.728	.720	.870	.873	84	82
Barley, Bu.....	1.03	1.03	1.35	1.36	76	76
Rye, Bu.....	1.15	1.16	1.66	1.67	69	69
Beef Cattle, Cwt....	14.90	16.00	22.30	22.40	67	71
Hogs, Cwt.....	16.30	16.80	21.80	21.80	75	77
Lambs, Cwt.....	18.40	19.80	24.80	24.80	74	80
Chickens, All, Lb...	.184	.188	.284	.285	65	66
Eggs, Doz.....	.328	.306	.476	.478	^{4/} 78	^{4/} 71
Milk, Whlse, Cwt. ^{2/}	4.34	^{3/} 4.19	4.79	4.81	^{4/} 88	^{4/} 89

- ^{L/} Effective parity prices as computed currently in months indicated using base period prices and indexes then in effect.
^{2/} Estimated average price for the month for all milk sold at wholesale to plants and dealers.
^{3/} Preliminary.
^{4/} Percentage of seasonally adjusted prices to parity prices